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FIRST COUNTRY COOPERATION FRAMEWORK FOR THE CENTRAL AFRICAN REPUBLIC (1999-2001)

CONTENTS

	Paragraphs	Page
INTRODUCTION	1 - 5	2
I. DEVELOPMENT SITUATION FROM A SUSTAINABLE HUMAN DEVELOPMENT PERSPECTIVE	6 - 15	3
II. RESULTS AND LESSONS OF PAST COOPERATION	16 - 21	4
III. PROPOSED STRATEGY AND THEMATIC AREAS	22 - 44	5
A. Overall strategies for UNDP cooperation	22 - 27	5
B. Areas of focus	28 - 44	7
IV. MANAGEMENT ARRANGEMENTS	45 - 49	9
Annex. Resource mobilization target table for the Central African Republic (1999-2001)		11

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INTRODUCTION

1. The fifth country programme for the Central African Republic (1992-1996) was prepared during the key period of political transition which took place in the country from 1990 to 1993. The mid-term review was carried out in 1994 as part of a joint evaluation of the activities of the entire United Nations system, and the final evaluation of the programme in late 1996 was carried out jointly with the programmes implemented by the United Nations specialized agencies.

2. Preparation of the first country cooperation framework (CCF) was nevertheless undertaken, beginning with the preparation of an advisory note and of the general guidelines for the programme and a draft CCF. However, political instability and the many constraints faced by the Government (changes of government, mutinies, strikes and major national events such as the Bangui Agreements, the nationwide consultation on defence and the National Reconciliation Conference) made it impossible to complete the CCF preparation and adoption process in 1997 or 1998. In fact, 1997 was taken up entirely by the repercussions of the third mutiny, which took place in November 1996, and by all the polarized efforts in the context of the inter-African mediation to restore peace.

3. The first CCF covered the period 1999-2001; this period was selected in order to harmonize the programme cycles of the specialized agencies of the United Nations system.

4. The CCF, based on the United Nations Development Programme (UNDP) advisory note, was prepared by the Government in close cooperation with UNDP and the United Nations specialized agencies, funds and programmes and in consultation with the Government's principal external partners. It is part of the implementation of the economic policy options announced by the Prime Minister in his keynote address of 30 January 1999 in order to help the country emerge from the crisis and set it firmly on the road to recovery and sustainable development.

5. It also reflects the recent changes in the country's political, social and economic situation. During the period 1997-1998, the Government and UNDP decided by mutual consent to use the balance of the indicative planning figure (IPF) for 1992-1996 and advance payments under TRAC 1.1.1 and TRAC 1.1.2 to allocate core resources to the reorganization and strengthening of certain ongoing operational projects which, at the final evaluation of the fifth country programme, had been deemed consistent with the poverty eradication strategy. Likewise, a portion of these funds was used to begin preparation of the two major CCF programmes (poverty eradication through sustainable livelihoods and good governance) and to resolve the problems caused by the 1996-1997 crisis.

I. DEVELOPMENT SITUATION FROM A SUSTAINABLE HUMAN DEVELOPMENT PERSPECTIVE

6. The Central African Republic has a human development index value of 0.347 for the base year 1995 (Human Development Report 1998), ranking 154th out of 174 countries. Like all francophone countries in sub-saharan Africa, the Central African Republic has experienced a slow, inexorable decrease in real gross domestic product (GDP) per capita since the 1980s as a result of the decline in macroeconomic performance and worsening terms of trade owing to the over-valuation of the CFA franc, which continued until early 1994. Despite a slight recovery in 1994-1995, this social and economic decline led ultimately to the 1996-1997 political and military crises that paralysed the economy and destroyed several production units, resulting in the loss of thousands of jobs and provoking disinvestment and capital flight. The most serious structural macroeconomic problems currently faced by the Government are the cash flow crisis, the severe, cumulative budgetary deficit and debt arrears.

7. In the Central African Republic, 63.4 per cent of the population is living below the poverty line (less than one dollar per day); 35.8 per cent of that group lives in extreme poverty. At the national level, poverty has several faces: it is most prevalent in rural areas (75 per cent of rural dwellers live below the poverty line), and its primary victims are women and young people, who are the most affected by illiteracy and unemployment, respectively.

8. The illiteracy rate amounts to 56 per cent of the population. In addition to the basic problem that the educational system is inadequate to the needs of development, education as a whole is characterized by a high dropout rate, a lack of equipment and pedagogical tools and a quantitative and qualitative lack of human resources. The educational system's inadequacy to development needs has led to an increase in the number of unemployed graduates, despite the nation's desperate need for trained citizens.

9. In the area of employment, out of a population of about 3.6 million people, there are 65,000 wage earners, 19,000 of whom are State officials. Over 70 per cent of the economically active are rural dwellers, nearly all of them farmers. Since 1994, there has been a continued decline in the number of payroll jobs and a resulting loss of 19,000 jobs.

10. Owing to the extremely poor health of the population, life expectancy is low (49 years as at 1996). The infant mortality rate is high (97.1 per 1,000 live births), as is the maternal mortality rate (95 per 10,000 live births).

11. According to the gender-related human development index, the Central African Republic ranks 129th out of 175 countries with a value of 0.338, which is lower than the average for sub-saharan Africa. With a gender empowerment measure (GEM) value of 0.205, it ranks 90th out of 175 countries in the index of women's participation in economic and political life. Owing to their lack of education, women are poorly represented in the various sectors of activity.

12. With respect to governance, the country has a legacy of very poor organizational, coordination and management capacities. Human resources have suffered accordingly, and the situation of State officials is extremely

unstable. Their mandates, functions and job descriptions are poorly defined, and compliance with their duty to ensure transparency in their work and to report to monitoring bodies such as the National Assembly, the auditing department and the other offices responsible for inspections and audits is low. Furthermore, well-known scourges such as corruption and nepotism continue to prevail in the area of governance. Restoration of the rule of law and of genuine democracy remains extremely difficult owing to the repercussions of over 30 years of authoritarian regimes which ignored the rights of individuals and corporate bodies. State functions are highly centralized, and there is little Government presence outside Bangui.

13. This cumbersome administrative system places private economic operators, non-governmental organizations (NGOs) and grass-roots organizations at a severe disadvantage. Furthermore, the communications services have a very low capacity.

14. It is within this general context of cumbersomeness, dysfunction and growing impoverishment of the population that the crisis which the Central African Republic has experienced since 1996 arose. Since the achievement of independence, there have been a dozen military uprisings there. But the grim series of mutinies in 1996 and 1997 were the sign of a profound unrest involving several sectors of civil society and a series of complex problems that illustrate the multidimensional barriers to development management in the Central African Republic, including tribalism, marginalization and nepotism.

15. These mutinies have had serious economic and social repercussions and have exacerbated the primary development constraints. They have, inter alia, shown the extent of the governance crisis, which calls for reorganization and strategic innovation at the political, administrative, economic and social levels in order to promote good development management.

II. RESULTS AND LESSONS OF PAST COOPERATION

16. The final evaluation of the fifth country programme at the end of 1996 was carried out jointly with the programmes implemented by the United Nations specialized agencies, funds and programmes which are members of the Joint Advisory Committee for Policy Matters (UNDP, International Fund for Agricultural Development (IFAD), United Nations Population Fund (UNFPA), World Food Programme (WFP) and United Nations Children's Fund (UNICEF)). It has been generally recognized that the problems encountered in the execution of these programmes and projects are as much the result of the country's economic situation and of the Government's poor management capacity as of the specific procedures followed by donors. The social and political upheavals of the period affected the implementation of all projects. Also noteworthy is the drastic decline in the IPF, which forced UNDP to reduce the funds initially allocated to certain activities.

17. There was a particularly great increase in UNDP cooperation in the area of assistance to the successive Governments' efforts to manage the crisis situation. The results of this experience show that thanks to UNDP support, the Government was able to prepare an emergency programme as quickly as possible

after the second mutiny; carry out a careful evaluation of the social and economic impact of the crisis; mobilize partners to address the difficult problem of cash flow; enact reforms and make the military, the administration and civil society aware of the need to restore peace and contribute to the success of inter-African mediation.

18. These numerous achievements were made possible by the flexibility of the usual UNDP procedures for implementation of its programmes (TRAC 1.1.1) and, in particular, of the mechanism established by UNDP for states of emergency (TRAC 1.1.3). This mechanism made it possible to provide many types of assistance (financial, mediation-related and technical) for purposes ranging from the urgent development of strategic programmes to the organization of meetings essential to the nation (nationwide consultation on defence military staff meetings, mini-round table for donors, discussions leading up to the Bangui Agreements and the National Reconciliation Conference), including support for the International Monitoring Committee and for the reorientation and promotion of appropriate projects in areas such as demobilization and the advancement of women.

19. The primary lesson to be learned is that the UNDP programme must be adaptable to the new priorities associated with the crisis, particularly by focusing on governance. Also noteworthy is the importance of the neutrality of UNDP assistance; the fact that it was provided to all parties (including the opposition) made it possible to resolve difficult situations. The concept of coordination was also of particular importance since coordination was ensured both within the United Nations system and with the Government.

20. Thus, UNDP cooperation enabled support to be given to the Government in implementing the macroeconomic reforms which facilitated the signing of a cooperation programme with the Bretton Woods institutions. Cooperation between UNDP and those institutions will be extended and strengthened during the period covered by the CCF.

21. Overall, UNDP provided a wide variety of support to the Government, allowing it to provide an immediate response to the state of emergency and to plan an escape from the crisis while continuing to implement development activities appropriate to the current situation. The wait-and-see attitude of other partners made it necessary for UNDP to make a far greater contribution than had originally been planned, which in turn limited its capacity to provide support to the Government during the period covered by the CCF.

III. PROPOSED STRATEGY AND THEMATIC AREAS

A. Overall strategies for UNDP cooperation

22. Consolidation of social peace requires the carrying out of activities aimed at preventing the recurrence of mutiny and of armed insurrection through, inter alia: (a) reorganization of the army in order to make it a nationwide, regionally and ethnically balanced force and reduce its financial burden on the State; (b) collection of the weapons scattered throughout Bangui and the interior, a process initiated with assistance from the Inter-African Mission to

Monitor the Implementation of the Bangui Agreements (MISAB) and the United Nations Mission in the Central African Republic (MINURCA); and (c) pursuit of a programme of economic reform and of dialogue with the Bretton Woods institutions.

23. Support for the transition programme described above will be the initial stage of the first UNDP CCF with the Central African Republic. As such, this stage provides an integrated set of prior conditions for the establishment of good governance and will be implemented in 1999. During the rest of the period covered by the CCF, UNDP support will focus on: (a) a programme for the promotion of good governance as a means of achieving sustainable human development; and (b) a programme of poverty eradication through sustainable livelihoods.

24. The participatory approach will underlie all UNDP activities under the first CCF. In order to understand the problem of governance as a whole, UNDP will provide support for the organization of a national forum on governance in which the Government, political parties, representatives of grass-roots organizations, the modern private sector and trade unions will participate in order to prepare guidelines for a national programme for the promotion of governance.

25. The National Poverty Eradication Programme, developed with UNDP support, was endorsed by a national seminar, held in May 1999, in which representatives of the Government, the prefectures, rural communities and political parties participated. In order to implement that Programme, the Government has committed itself to allocating 15 per cent of the national budget to priority sectors for poverty eradication; communities, for their part, will be required to assume increased responsibility for funding activities carried out with their participation in order to raise their standard of living.

26. UNDP has decided to concentrate its support on two or three regions selected using three main criteria: degree of poverty, security situation and population size (and therefore extent to which it contributes to poverty at the whole country level). The areas for intervention will be selected after wide-ranging concertation with the other specialized United Nations agencies, funds and programmes. The National Poverty Eradication Programme will be implemented using the sustainable livelihood approach, which will take into account the full range of people's development needs and particularly their potential for looking after themselves. The agents carrying this out, who will be in contact with the grass-roots communities, will be local, non-governmental operational structures (non-governmental organizations, village associations and so on) with an effective presence in the communities in which they work.

27. Generally, the activities which will be supported by UNDP complement the activities of other donors. The preparation process for the common country assessment, which began recently, will provide an opportunity to review the outcomes of the activities supported in recent years by the specialized agencies, funds and programmes of the United Nations in order to extend the concept of mainstreaming sustainable human development throughout the United Nations system, including within the framework of the United Nations System-wide Special Initiative on Africa.

B. Areas of focus

28. The two areas of focus in the first country cooperation framework are: (a) good governance for sustainable human development, including political governance, strengthening the capability of grass-roots communities and economic and financial management; and (b) combating poverty with sustainable livelihoods, which will have three components, namely (i) microcredit and job creation, (ii) access to basic social services and productive assets (health; education; drinking water; combating AIDS; housing; access to land and so on).

1. First area: Good governance for sustainable human development

Political governance

29. UNDP will support the formulation and implementation of a framework programme of support for governance which will be developed on the basis of a national seminar on governance. The governance programme support document will cover the aspects of political governance, economic and financial management and promotion of decentralization by formulating regional plans for the prefectures in which UNDP decides to concentrate its anti-poverty activities. UNDP support will be given essentially at the policy and development strategy formulation levels for the sectors involved in instituting good governance.

30. By the end of the programme, there will be constructive and dynamic dialogue between the State, political forces, the various components of civil society and development actors, including people in the areas involved, in an environment conducive to sustainable human development. Similarly, the justice system and human rights defence and promotion structures will have been provided with strategic and policy instruments.

Self-development, reinforcement of local institutions and social infrastructure (schools, health posts)

31. UNDP support will make it possible to create conditions for good governance, i.e. for strengthening democratization at the local level by means of a public information campaign, support for national non-governmental and grass-roots organizations, development of civics programmes in schools and a training programme for community administration personnel and for other potential participants in implementing decentralization to the local level.

32. The increasing tempo at which community self-development activities are being carried out will permit confirmation of whether the community participation and mobilization approach to community development is valid and make it possible to measure how much progress is being made.

Economic and financial management of development

33. UNDP will support the Government in finalizing an economic and financial management framework programme, which will be an operational programme based on an objective and realistic examination of the existing institutions from the point of view of the country's strategies and objectives. It will take into account all areas of economic management. UNDP will support implementation of

t'e programme through its governance programme support document for sustainable human development, which will have an economic and financial section.

34. By the end of the programme, the management of public finance and State investment will have been improved and rectified. Also, the reorganized technical Ministries will be using rational and relevant development management methods and practices.

2. Second area: Combating poverty with sustainable livelihoods

35. UNDP will assist the Government in achieving the objectives of the National Poverty Eradication Plan: to reduce the proportion of the population living below the poverty line from 63 per cent to 50 per cent in five years by formulating and implementing a programme support document to support the national poverty eradication programme. The principal characteristic of this programme support document will be its proximity to the grass-roots communities in four of the prefectures most affected by poverty. The programme will be carried out jointly with the United Nations Capital Development Fund (UNCDF), which will support financing of social infrastructure in at least one of the prefectures.

36. The anti-poverty programme will use the participatory approach and will favour the contributions of non-governmental organizations and specialists from the United Nations Volunteers (UNVs) to the grass-roots communities. In formulating and implementing the programme, expertise from the developing countries will be used to the extent possible in order to promote exchanges of experience between the Central African Republic and African countries, particularly those in the Central Africa subregion. Particular attention will be paid to the status of women in society by taking into account women's participation in the country's rehabilitation/reconstruction efforts and through activities aimed at promoting gender equality in implementing the programme. The programme will comprise the following three mutually reinforcing sections.

Microcredit and job creation

37. Activities under this component are aimed at promoting income-generating activity through recipients/beneficiaries themselves creating and managing community enterprises designed to: improve living conditions in rural areas and the urban fringes; to lighten women's work; and to generate income to reinvest in new community activities. There will be an emphasis on appropriateness, the perennial question of the units installed and development of community savings, in addition to putting in place a savings and loans structure which will in time become a bank, particularly for women and children.

38. Implementation of this component will be reflected in a reduction in the percentage of people living below the poverty line. Over 100 community enterprises run independently by the beneficiaries will have been established and will contribute to reducing poverty for about 50,000 people.

Access to basic social services and productive assets

39. UNDP support will basically be in the form of formulating development policies and strategies for the various sectors or in the form of assessing existing policies for financing support for policy and programme development.

40. In the area of health, UNDP will continue its support for combating AIDS. The AIDS epidemic has developed out of control despite efforts by the Government and its external partners, including UNDP. During this period, UNDP support will be redirected towards a more vigorous public awareness campaign with a view to halting the rise in seropositivity rates. The campaign will target political decision makers in the first place so as to give combating AIDS top priority at the country level.

41. Where drinking water and sanitation are concerned, during 1999 UNDP will continue carrying out the programme of sinking pumped boreholes. In Lobaye, Ombella Mpoko and Nana Mambéré prefectures, 240 boreholes with handpumps will have been sunk and will serve about 100,000 villagers. In centres of social and community interest in the villages - health posts, schools, markets - 150 ventilated pit latrines will be built, while about 1,000 improved latrines will be built per year. These infrastructure will be built as part of a project now under way with UNCDF co-financing.

42. With respect to education, the Government will be supported by UNDP in finalizing the National Education Development Programme.

43. Where housing is concerned, UNDP will support the Government in formulating and implementing a national social housing strategy to help improve living conditions.

44. The result of this will be a significant improvement in sanitary conditions and a reduction in the incidence of diseases associated with a lack of clean drinking water. Similarly, a significant reduction in new HIV infections is expected to result from the implementation of the programme section on combating this epidemic.

IV. MANAGEMENT ARRANGEMENTS

45. The programme approach will be preferred for formulating new framework programmes in sectors where strategies and policies are clearly defined in concertation with the Government and the various sponsors. The United Nations specialized agencies have begun the various studies needed for the common country assessment to define the framework for intervention by the United Nations system as a whole and then for each agency. UNDP will take this opportunity to carry out a thematic refocusing and geographical concentration exercise for its interventions, while taking into account the important aspects of harmonizing approaches and procedures.

46. Implementation: a boost will be given to the national implementation modality in putting new programmes into effect. However, it should be stressed that the approach will be selective because, in view of the context, decisions

on whether to adopt this modality will have to be made on a case-by-case basis, with particular account taken of the basic conditions needed for success. This modality will not only make use of Government capabilities but will also aim to put other national capabilities to good use (non-governmental organizations, private sector).

47. Follow-up and evaluation: the follow-up and evaluation system at Government level for the first country cooperation framework is an integral part of the national management and development system which was put in place as part of the joint steering mechanism for programmes and projects and for coordinating interventions (particularly the economic and financial management framework programme), and through the Technical Committee set up by the Government with UNDP support to monitor reforms under the structural adjustment programme. The first country cooperation framework will be subjected to various evaluations in accordance with the modalities set out in the new UNDP programming arrangements, specifically examination of programme results with the bureau within the programme review framework. In formulating programme support documents for promoting good governance and reducing poverty, more accurate indicators will be defined and will be used as benchmarks for subsequent reviews.

48. Resource mobilization: in the context of the budgetary crisis which the country is undergoing, mobilizing resources has become a matter of unusual urgency. Consultations with the external partners will be held in June 1999 to examine a minimum programme of activities aimed at easing the country's emergence from the crisis and at readying it to hold a round-table conference in 2000. Subsequently, the UNDP support strategy for mobilizing resources will have two principal orientations: (a) support for determining an internal and external mobilization policy for financial resources and technical capabilities; and (b) mobilization of resources from donors and the Bretton Woods institutions.

49. Communication for development, as a tool for mobilizing resources: the Government is inviting UNDP and the other specialized agencies of the United Nations system to implement a communication strategy in order to ensure participation by the public and private mass media with a view to strengthening public information and social communication in the programmes and projects. The goal is to develop advocacy and awareness promotion activities addressed to the target populations and other partners in development to combat poverty and promote sustainable human development. In the Central African context, this will basically involve having communication systems serve society as a whole to promote poverty eradication and good governance and help strengthen the Government's institutional and technical capacity while emphasizing training of human resources.

Annex

RESOURCE MOBILIZATION TARGET TABLE FOR THE CENTRAL AFRICAN REPUBLIC
(In thousands of United States dollars)

Source	Amount	Comments
UNDP CORE FUNDS		
Estimated IPF carry-over	1 001	
TRAC 1.1.1	4 487	Assigned immediately to country.
TRAC 1.1.2	0 per cent to 66.7 per cent of TRAC 1.1.1	This range of percentages is presented for initial planning purposes only. The actual assignment will depend on the availability of high-quality programmes. Any increase in the range of percentages would also be subject to availability of resources.
TRAC 1.1.3	1 450	Financing of projects relating to the restoration of peace and security and to rehabilitation activities.
SPPD/STS	750	
Subtotal	5 686[a]	
NON-CORE FUNDS		
Government cost-sharing	–	
Sustainable development funds	2 600	GEF
Third-party cost-sharing	–	
Funds, trust funds and other, including: UNCDF Swedish Trust Fund	6 806 6 764 42	
Subtotal	9 406	
GRAND TOTAL	15 092[a]	

[a] Not inclusive of TRAC 1.1.2, which is allocated regionally for subsequent country application.

Abbreviations: GEF = Global Environment Facility; SPPD = Support for policy and programme development; STS = support for technical services; TRAC = target for resource assignment from the core; and UNCDF = United Nations Capital Development Fund.